

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-56360; File No. SR-Phlx-2007-61)

September 6, 2007

Self-Regulatory Organizations; Philadelphia Stock Exchange, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change, as Modified by Amendment No. 1 Thereto, Relating to Fees for U.S. Dollar-Settled Foreign Currency Options

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”),¹ and Rule 19b-4 thereunder,² notice is hereby given that on August 15, 2007, the Philadelphia Stock Exchange, Inc. (“Phlx” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been substantially prepared by the Phlx. On August 30, 2007, the Exchange filed Amendment No. 1 to the proposed rule change. The Commission is publishing this notice to solicit comments on the proposed rule change, as amended, from interested persons.

I. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Rule Change

The Phlx proposes to amend its Summary of Index Option and U.S. Dollar-Settled Foreign Currency Option Charges (“Fee Schedule”) to cap U.S. dollar-settled foreign currency option transaction charges applicable to customer executions at 10,000 contracts per trade per side. Specifically, on the Exchange’s Fee Schedule, the option transaction charge applicable to customer executions for U.S. dollar-settled foreign currency option transactions would be amended to add the following: Subject to a maximum charge of \$4,000 per trade per side for U.S. dollar-settled foreign currency transactions. This change reflects the proposed 10,000 contract cap multiplied by the current \$.40 per contract charge. This proposal is scheduled to become effective for trades settling on or after August 16, 2007.

¹ 15 U.S.C. 78s(b)(1).

